

NATIONAL CREDIT UNION SHARE INSURANCE FUND



PRELIMINARY & UNAUDITED FINANCIAL HIGHLIGHTS

February 28, 2021

A handwritten signature in black ink, appearing to read 'E. Schied', is positioned above the name of the Chief Financial Officer.

**EUGENE H. SCHIED
CHIEF FINANCIAL OFFICER**

**NATIONAL CREDIT UNION ADMINISTRATION
SHARE INSURANCE FUND
MANAGEMENT OVERVIEW
February 28, 2021**

Balance Sheets

Receivables from Asset Management Estates Net is \$668.1 million; \$5.2 million is for natural person credit unions, and \$662.9 million is for corporate credit unions.

Insurance and Guarantee Program Liabilities related to Reserves are \$177.3 million; \$18.1 million is for specific reserves for natural person credit unions, and \$159.2 million is for general reserves. There are no Corporate System Resolution Program related Insurance and Guarantee Program Liabilities as of February 28, 2021.

Statements of Net Cost

For the month ended February 28, 2021, the fund had net income of \$2.5 million. The fund recognized gross revenues of \$17.6 million and total operating expenses of \$15.1 million. The fund did not recognize any insurance loss expense during the month of February 2021.

**NATIONAL CREDIT UNION ADMINISTRATION
SHARE INSURANCE FUND
BALANCE SHEETS
(Dollars in thousands)**

| | February 2021 | February 2020 |
|---|-----------------------------|-----------------------------|
| ASSETS | | |
| INTRAGOVERNMENTAL | | |
| Fund Balance with Treasury | \$ 25,277 | \$ 9,960 |
| Investments, Net - U.S. Treasury Securities | 18,170,075 | 16,862,077 |
| Accrued Interest Receivable - Investments | 56,834 | 63,491 |
| Accounts Receivable - Due from the NCUA Operating Fund | 3,284 | 1,886 |
| Note Receivable - Note due from the NCUA Operating Fund | - | 4,805 |
| Total Intragovernmental Assets | <u>18,255,470</u> | <u>16,942,219</u> |
| PUBLIC | | |
| Accounts Receivable - Guarantee Fee on NGNs, Net | 75 | 602 |
| General Property, Plant, and Equipment, Net | 44 | 103 |
| Advances and Prepayments | 1,926 | 950 |
| Receivables from Asset Management Estates (AMEs), Net* | <u>668,078</u> | <u>128,415</u> |
| Total Public Assets | <u>670,123</u> | <u>130,070</u> |
| TOTAL ASSETS | <u><u>\$ 18,925,593</u></u> | <u><u>\$ 17,072,289</u></u> |
| LIABILITIES | | |
| INTRAGOVERNMENTAL | | |
| Accounts Payable - Due to the NCUA Operating Fund | \$ 100 | \$ 121 |
| Total Intragovernmental Liabilities | <u>100</u> | <u>121</u> |
| PUBLIC | | |
| Accounts Payable | 4,375 | 422 |
| Insurance and Guarantee Program Liabilities* | 177,291 | 116,976 |
| Other Liabilities | <u>778</u> | <u>396</u> |
| Total Public Liabilities | <u>182,444</u> | <u>117,794</u> |
| TOTAL LIABILITIES | <u>182,544</u> | <u>117,915</u> |
| Commitments and Contingencies | | |
| NET POSITION | | |
| Contributed Capital | 13,811,998 | 11,968,316 |
| Cumulative Result of Operations | <u>4,931,051</u> | <u>4,986,058</u> |
| Total Net Position | <u>18,743,049</u> | <u>16,954,374</u> |
| TOTAL LIABILITIES AND NET POSITION | <u><u>\$ 18,925,593</u></u> | <u><u>\$ 17,072,289</u></u> |

* Receivable from AMEs, Net and Insurance and Guarantee Program Liabilities lines are generally updated quarterly.

The balances in the statement above are preliminary and unaudited.

**NATIONAL CREDIT UNION ADMINISTRATION
SHARE INSURANCE FUND
STATEMENTS OF NET COST
(Dollars in thousands)**

| | <u>February 2021</u> | <u>February 2021 YTD</u> | <u>February 2020 YTD</u> |
|--|----------------------|------------------------------|------------------------------|
| GROSS COSTS | | | |
| Operating Expenses* | \$ 15,135 | \$ 29,625 | \$ 32,000 |
| Provision for Insurance Losses | | | |
| Reserve Expense (Reduction) | - | (9) | (2) |
| AME Receivable Bad Debt Expense | - | - | - |
| Total Provision for Insurance Losses | <u>-</u> | <u>(9)</u> | <u>(2)</u> |
| Other Losses | - | - | - |
| Total Gross Costs | <u>15,135</u> | <u>29,616</u> | <u>31,998</u> |
| LESS EXCHANGE REVENUES | | | |
| Interest Revenue on Note Receivable from the NCUA | | | |
| Operating Fund | - | - | (15) |
| Guarantee Fee Revenue - NGNs | (114) | (247) | (1,629) |
| Other Revenue | (9) | (677) | (170) |
| Total Exchange Revenues | <u>(123)</u> | <u>(924)</u> | <u>(1,814)</u> |
| TOTAL NET COST/(INCOME) OF OPERATIONS | <u>\$ 15,012</u> | <u>\$ 28,692</u> | <u>\$ 30,184</u> |
| LESS NON-EXCHANGE REVENUES | | | |
| Interest Revenue - Investments | <u>(17,560)</u> | <u>(37,198)</u> | <u>(49,400)</u> |
| Total Non-Exchange Revenues | <u>(17,560)</u> | <u>(37,198)</u> | <u>(49,400)</u> |
| TOTAL NET COST/(INCOME) INCLUDING NON-EXCHANGE REVENUES | <u>\$ (2,548)</u> | <u>\$ (8,506)</u> | <u>\$ (19,216)</u> |

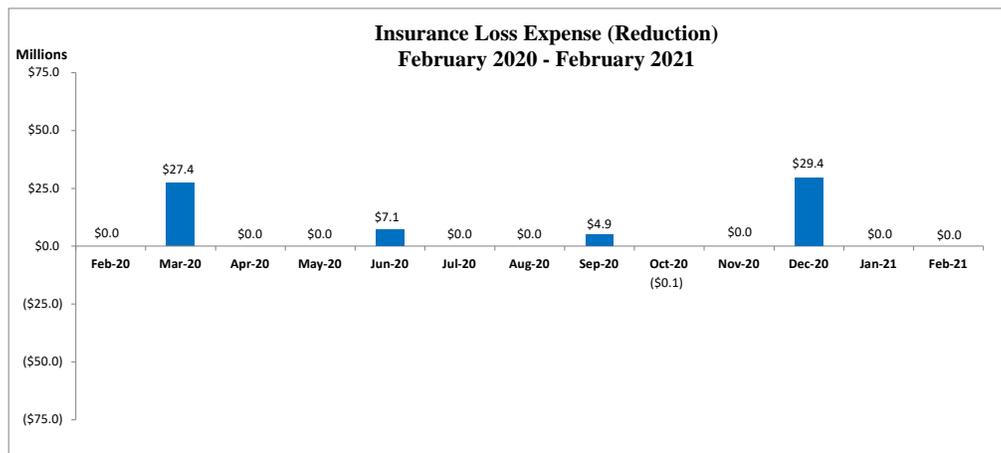
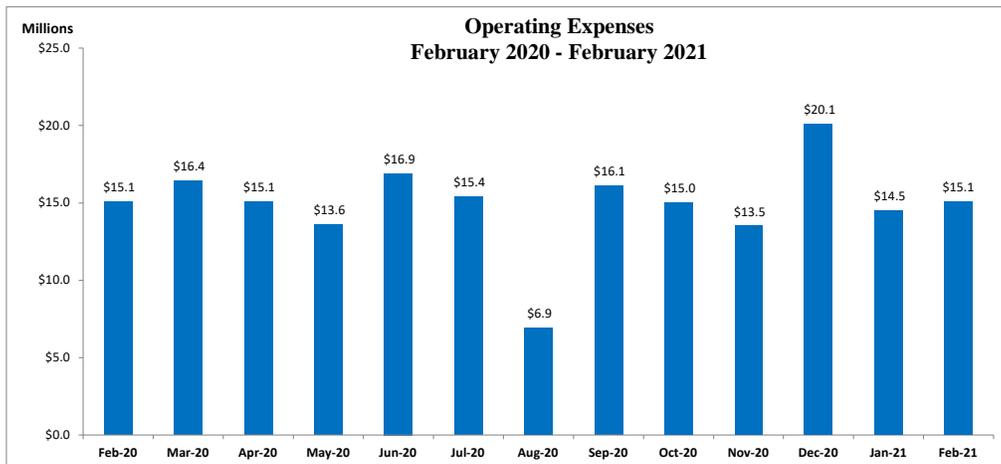
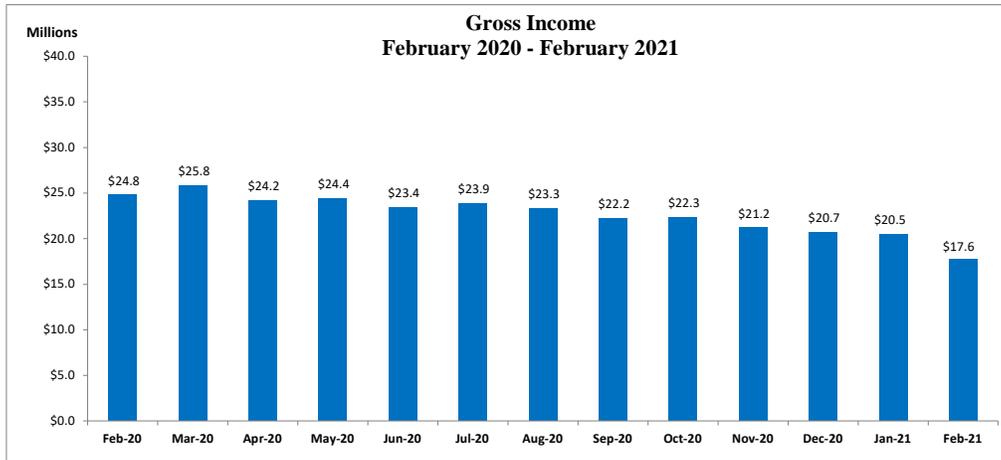
*Share Insurance Fund operating expenses are an allocation of total NCUA operating expenses, as determined by the overhead transfer rate set by the Board of 62.3% and 61.3% for 2021 and 2020, respectively.

**NATIONAL CREDIT UNION ADMINISTRATION
SHARE INSURANCE FUND
STATEMENTS OF CHANGES IN NET POSITION
(Dollars in thousands)**

| | <u>February 2021</u> | <u>February 2020</u> |
|--|----------------------|----------------------|
| CUMULATIVE RESULTS OF OPERATIONS | | |
| Beginning Balances | \$ 5,132,167 | \$ 4,632,574 |
| BUDGETARY FINANCING SOURCES | | |
| Non-Exchange Revenue | | |
| Interest Revenue - Investments | 37,198 | 49,400 |
| Distribution to Credit Unions | - | - |
| Total Budgetary Financing Sources | <u>37,198</u> | <u>49,400</u> |
| OTHER FINANCING SOURCES | | |
| Non-Exchange Revenue | | |
| Net Unrealized Gain/(Loss) - Investments | (209,622) | 334,268 |
| Total Other Financing Sources | <u>(209,622)</u> | <u>334,268</u> |
| Total Financing Sources | <u>(172,424)</u> | <u>383,668</u> |
| Net Income /(Cost) of Operations | (28,692) | (30,184) |
| Net Change | (201,116) | 353,484 |
| CUMULATIVE RESULTS OF OPERATIONS | <u>4,931,051</u> | <u>4,986,058</u> |
| CONTRIBUTED CAPITAL | | |
| Beginning Balances | 13,810,674 | 11,967,387 |
| Change in Contributed Capital | 1,324 | 929 |
| CONTRIBUTED CAPITAL | <u>13,811,998</u> | <u>11,968,316</u> |
| NET POSITION | <u>\$ 18,743,049</u> | <u>\$ 16,954,374</u> |
| NET POSITION BREAKDOWN | | |
| Credit Union Contributed Capital | 13,811,998 | 11,968,316 |
| Retained Earnings | 4,629,595 | 4,607,440 |
| Total Net Position Without Unrealized Gain/ (Loss) | <u>18,441,593</u> | <u>16,575,756</u> |
| Unrealized Gain/ (Loss) - Investments | <u>301,456</u> | <u>378,618</u> |
| NET POSITION | <u>\$ 18,743,049</u> | <u>\$ 16,954,374</u> |

The balances in the statement above are preliminary and unaudited.

**NATIONAL CREDIT UNION ADMINISTRATION
 SHARE INSURANCE FUND
 STATISTICAL INFORMATION
 February 28, 2021**



The information provided in the supporting statement above is preliminary and unaudited.

INVESTMENT PORTFOLIO SUMMARY

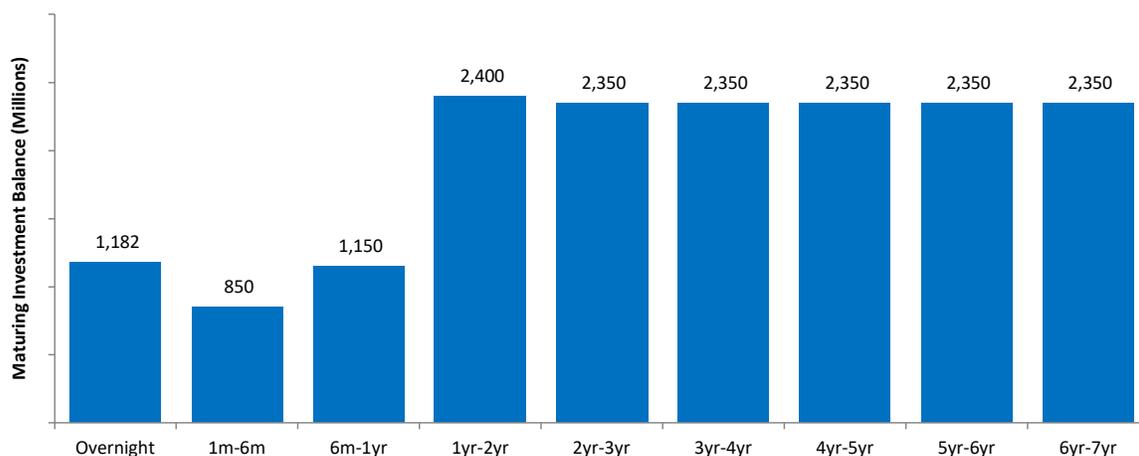
February 28, 2021

| I. INVESTMENT PORTFOLIO BALANCE AND MARKET VALUE (In Dollars) | | | | | | |
|--|--------------------------|--------------------------|---------------------------|------------------------|------------------------|--|
| | Book Value | Market Value | Unrealized Gain or (Loss) | % Market to Book Value | Weighted Average Yield | |
| Daily Treasury Account | \$ 1,181,819,000 | \$ 1,181,819,000 | \$ - | 100.00% | 0.04% | |
| U.S. Treasury Notes | 16,686,799,556 | 16,988,255,501 | 301,455,945 | 101.81% | 1.36% | |
| Total | \$ 17,868,618,556 | \$ 18,170,074,501 | \$ 301,455,945 | 101.69% | 1.28% | |

| II. INVESTMENT PORTFOLIO SUMMARY | | | |
|---|---------------|---------------|---------------|
| | Last Month | Current Month | CY To Date |
| Investment Yield | 1.29% | 1.28% | 1.28% |
| Investment Income | \$ 19,637,876 | \$ 17,559,790 | \$ 37,197,666 |
| Weighted Avg. Maturity in Days | 1,184 | 1,243 | |

| III. MONTHLY ACTIVITY | | | | | |
|------------------------------|--------|----------------|-----------|-------|--|
| Purchased | Type | Amount | Maturity | Yield | |
| 2/16/2021 | T-Note | \$ 600,000,000 | 2/15/2028 | 0.90% | |
| TOTAL \$ 600,000,000 | | | | | |

| IV. MATURITY SCHEDULE (par value in millions) | |
|--|-----------|
| TOTAL | \$ 17,332 |



The information provided in the portfolio summary above is preliminary and unaudited.